

**Vision:** The Arizona Department of Real Estate will serve to educate and proactively work with the real estate profession to better protect Arizona consumers and hold accountable licensees failing to meet statutory requirements and standards.

**Agency Description:** The Department oversees the administration of licensing examinations and issuance of licenses, as well as the activities of licensees to ensure compliance with the Arizona Revised Statutes and the Commissioner's Rules. Within the purview of the Department are builder/development regulation of the sale of subdivided and certain unsubdivided lands, timeshares, condominiums, membership campgrounds, and cemeteries, administration of the Homeowner's Association Dispute Process, and conducting investigations of consumer complaints, and audits of real estate brokerages.

The Department also regulates real estate schools and instructors, monitoring preclicensing and continuing education courses to ensure the quality of the content of courses and the competence of the instructors, as well as the quality and timeliness of materials being taught.

**Executive Summary:** With proactive communication and education, the Arizona Department of Real Estate works to protect the public through a statutorily established licensing and regulatory scheme designed to encourage disclosure, high standards of client representation and a requirement for licensee's to provide reasonable skill and care.

### Strategic Issues

- Position the department to successfully transition to a new customer relationship management solution;
- Identify customers, their values and expectations;
- As practicable, practice data driven decision making and structured problem solving;
- Identify opportunities to streamline the delivery of services;
- Enhance online technology platform;
- Delivering results that provide greater benefits for Arizonans.

### Summary of Multi-Year Strategic Priorities

#	Five Year Strategy	Start Year	Progress / Successes
1	Modernize Auditing and Investigations Policies and Procedures to Better Regulate Current Practices in Real Estate Profession	FY23	<ul style="list-style-type: none"> <li>•In FY23, Deputy Commissioner from industry hired and is performing an assessment of current policies as they relate to current business models and practices.</li> </ul>
2	Bolster Continuity of Operations	FY22	<ul style="list-style-type: none"> <li>•In FY22, began cross training licensing, education and development services division.</li> <li>•In FY22, worked with state partners to learn engagement process to research Customer Relations Management/public interface replacement.</li> </ul>
3	Redesign Enforcement and Compliance to Better Address Found Violations	FY23	<ul style="list-style-type: none"> <li>•In FY23, while following the disciplinary matrix, consent orders began to better hold accountable licensees for found violations.</li> <li>•In FY23, began using provisional licenses only as necessary; favoring issuance or denial.</li> </ul>
4	Update Department Rules, Forms and Processes	FY22	<ul style="list-style-type: none"> <li>•In FY22, began to identify outdated rules and forms, where statute was amended but rule and form were not updated.</li> </ul>
5	Increase Number of Engaged Staff Members	FY23	<ul style="list-style-type: none"> <li>•In FY22, Department observed an 11 percent increase in engaged workforce as determined by engagement scores.</li> <li>•In FY 23, began offering, contracting for and allowing training of staff by external experts and associations.</li> <li>•In FY23, reviewed staff salaries and position descriptions to ensure they appropriate to work performed.</li> </ul>

Strategy #	FY23 Annual Objectives	Objective Metrics	Annual Initiatives
1	Modernize Auditing and Investigations Policies and Procedures to Better Regulate Current Practices in Real Estate Profession	% Update Broker Audit Declaration  % Update Audit Checklist  % of Processes Auditors are Trained On  % of cross trained investigators and auditors  % of standardization of minimum requirements for investigation	<ul style="list-style-type: none"> <li>Update Auditing and Investigation Policies, Procedures and Processes</li> <li>Create process flows with timeline expectations</li> </ul>
2	Bolster Continuity of Operations	% of Processes that Staff are Trained to Perform within their Division  % of Processes Updated in Procedure Manuals	<ul style="list-style-type: none"> <li>Breakthrough - Crosstrain Staff within Divisions and Remove Siloing of Work within Divisions</li> <li>Contract with a Business Analyst to Assess Business Requirements, Implement Improvements and Provide a Scope of Work for Planned Replacement of Custom Built CRM and Public Interface Platforms</li> </ul>
3	Redesign Enforcement and Compliance to Better Address Found Violations	# Decrease in issuing provisional licenses to first time licensees  % Increase in matching consent terms to found violations  % Decrease in licensees on consent orders and accelerated settlements agreements violating those orders	<ul style="list-style-type: none"> <li>Increase effectiveness of tools used in enforcement and compliance (Consent Orders, Accelerated Settlement Agreements, and Provisional Licenses)</li> <li>Decrease use of provisional licenses on first time issued licenses</li> </ul>
4	Update AAC, Title 4, Ch28 to include legislative changes and outstanding 5-year-rule review findings  Decrease Deficiency Rate of Forms	% of Review Completed  % of Drafting Completed  % of Requirements to Proceed through GRRC  % of 2-Minute Applications Returned to Applicant Unprocessed	<ul style="list-style-type: none"> <li>Identify and Draft Required Updates to Rules</li> <li>Identify and Draft Required Updates to Forms</li> <li>Work through the Rulemaking Process</li> </ul>
5	Minimize Regrettable Employee Attrition  Increase Number of Engaged Staff Members	% of Turnover  % of Employee Engagement	<ul style="list-style-type: none"> <li>Encourage Staff Training and Development Opportunities</li> <li>Implement Flexibility in Telework</li> </ul>